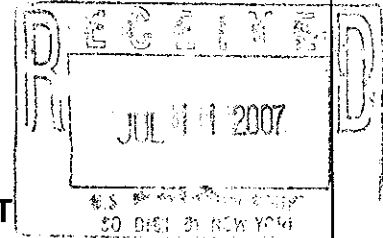


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8 **UNITED STATES BANKRUPTCY COURT**
9 **SOUTHERN DISTRICT OF NEW YORK**



10 In Re:

Chapter 11

11 DELPHI CORPORATION, et al.,

Case No. 05-44481 (RDD)

12 Debtor(s).

**MARICOPA COUNTY'S NOTICE
OF PERFECTED LIEN AND OBJECTION
TO THE "CATALYST BUSINESS SALE
MOTION" IF THE TAXES ARE NOT
PAID FROM THE PROCEEDS**

13
14 Maricopa County Treasurer, by and through their undersigned counsel, hereby
15 provides notice that it claims a perfected statutory lien in accordance with A.R.S. § 42-
16 17153 (1999) and submits its objection to the "Catalyst Business Sale Motion".

17 The personal property located in Maricopa County is encumbered with a fully
18 perfected tax lien in the amount of \$2,628.52 plus accruing interest. The lien represents
19 a 2006 tax liability on personal property parcel 949-65-352.

20 Maricopa County objects to the sale of property located in Maricopa County if the
21 tax liabilities associated with such property are not fully paid at closing from the
22 proceeds of the sale in accordance with A.R.S. § 42-17153 (1999). Under Arizona law,
23 the county has a valid lien that is "prior and superior to all other liens and encumbrances
24 on the property." A.R.S. § 42-17153 (1999). The county is entitled to have its tax liens
25 on the property paid "from the sale of which the funds***were derived and, to the extent

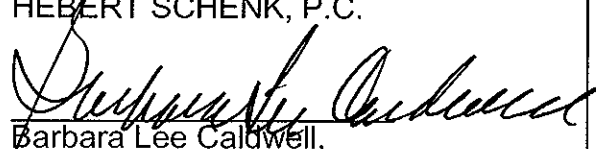
1 necessary to discharge the debt secured by the lien, the proceeds of the sale of the
2 property were withdrawn from or taken out of the assets of the estate." *Brans v. City of*
3 *Dallas, Texas*, 217 F.2d 640 (5th Cir.1954). In *Ingram v. Coos County, Or.*, the Court
4 held that "It follows therefore that appellee's claim for taxes out of the proceeds of the
5 bankrupt's property sold to satisfy the tax lien, is entitled to priority over all other claims
6 'except the payment of the actual and necessary costs of the sale of the personal
7 property upon which said taxes were assessed'." *Ingram v. Coos County, Or.*, 71 F.2d
8 889 (9th Cir. 1934).

9 Arizona law further provides that "It is unlawful for the owner,...to knowingly sell
10 or transfer personal property or remove it from its location until the taxes on the property
11 are paid." See, A.R.S. § 42-19107(A). Accordingly, Maricopa County contends that
12 before any transfer of Debtors' personal property located in Maricopa County, all taxes
13 associated with each of the above parcels of personal property must be paid.

14 RESPECTFULLY SUBMITTED this 6 day of July, 2007.

16 HEBERT SCHENK, P.C.

17 By:

18 
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1 A copy of the foregoing mailed this
2 6th day of July, 2007, to:

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16 By: 
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